

# Economic Indicators Newsletter

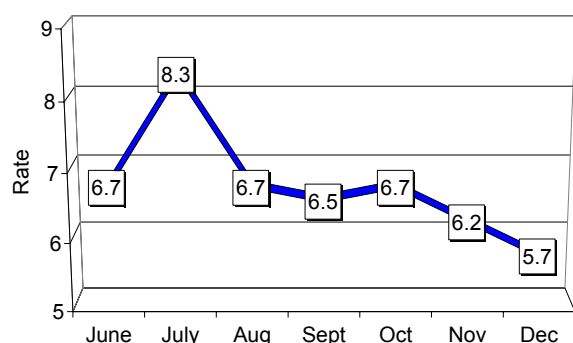
Reporting Economic Trends in the Hickory-Morganton-Lenoir NC Metropolitan Statistical Area (MSA)

## Civilian Labor Force

After peaking at a two-year high of 8.3% in July 2005, the unemployment rate in the Hickory-Morganton-Lenoir Metropolitan Statistical Area (MSA) fell to 5.7% in December 2005, the lowest level since May 2001 (Figure 1). Despite continuing furniture layoffs, Caldwell County's unemployment rate decreased 2.6% since July. Though all North Carolina MSAs experienced a reduction in unemployment during the past quarter, the Hickory Metro experienced the largest rate drop with a fall of 1.0% to 5.7%. Only the Rocky Mount MSA had a higher unemployment rate than the Hickory Metro (Table 1). This unemployment decline may be misleading since the available workforce (persons working and persons looking for work) in the same period dropped by 3.1%. A significant number of people may have given up seeking work, and are therefore not counted in the official figures. Unemployment rates by County for December 2005 were: Alexander 4.7%, Burke 5.6%, Caldwell 7.2% and Catawba 5.2%.

Figure 1.

MSA Unemployment, June - December 2005



Source: NC Employment Security Commission, 2006.

Table 1.

MSA Unemployment Rate, December 2005

Raleigh-Cary	3.6
Asheville	3.7
Durham	3.8
Wilmington	3.9
Winston-Salem	4.1
Charlotte-Gastonia-Concord	4.6
Greensboro-High Point	4.7
Greenville	4.8
Jacksonville	4.8
Goldsboro	4.9
Burlington	5.3
Fayetteville	5.5
<b>Hickory-Morganton-Lenoir</b>	<b>5.7</b>
Rocky Mount	6.2

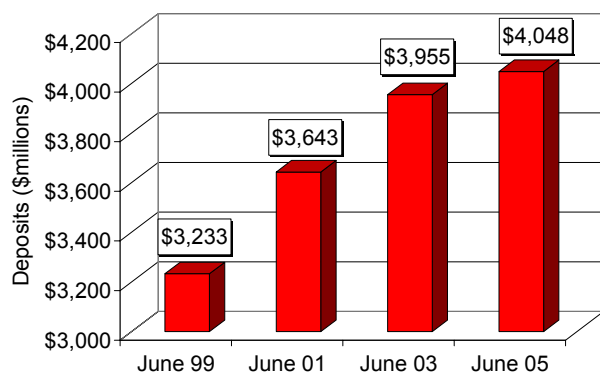
Source: NC Employment Security Commission, 2006.

## Bank Deposits

Between June 1999 and June 2005, Hickory MSA bank deposits increased \$823 million (Figure 2). In June 2005, deposits across the MSA equaled \$4.05 billion, or only \$93 million higher than in June 2003. The modest size of the '03-'05 increase may be a sign that consumers are spending money via retail sales (Hickory Metro sales have grown 16.1% since June 2003) instead of using savings accounts.

Figure 2.

MSA Bank Deposits (\$ Millions), June 1999 - 2005



Source: Federal Deposit Insurance Corporation (FDIC), 2006.

Between June 2001-05, Caldwell's deposits continued to exceed those of Burke, despite fewer people and higher unemployment (Table 2). Catawba's deposits were \$2.23 billion in June '05, or 9th among NC's 100 counties. In Alexander, deposits shrank by \$10 million from 2003-05.

Table 2.

Bank Deposits (\$ Millions)

County	June 01	June 03	June 05	NC Rank 05
Alexander	\$313	\$327	\$317	66th
Burke	\$634	\$646	\$670	42nd
Caldwell	\$710	\$754	\$767	36th
Catawba	\$1,986	\$2,227	\$2,294	9th

Source: Federal Deposit Insurance Corporation (FDIC), 2006.



## “EIN Spotlight”

### Special Focus on Employment Trends in the Hickory MSA

Unemployment rates in the Hickory MSA have generally been falling since hitting a post-9/11 high of 9.0% in July 2003. In fact, the 5.7% rate for December 2005 (the most recent available) is the lowest since May 2001. Though this trend is certainly welcome news, there are some factors that may be mitigating the positive effect these lower rates could be having on the region.

According to US Census Bureau estimates, the overall population of the Hickory MSA grew by 6,302 persons (1.8%) between 2001 and 2005, and based Census data the working age population (18-44 years old) has grown commensurately. Had the workforce grown in step with the working age population between 2001-05, it would have increased by 3,377 persons. During this period, however, the workforce actually shrank by 3.6% or 6,712 persons (Figure 3). Thus, the total difference in 2001-05 workforce size between what was expected (an increase of 3,377) and what actually occurred (a decrease of 6,712) was a combined loss of 10,089 persons from the projected 2005 employment totals, or - 5.4%.

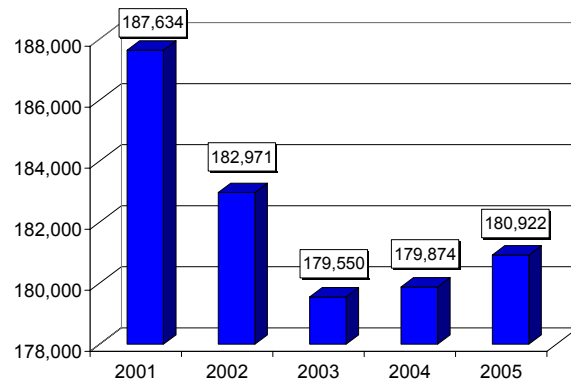
It appears that the unemployment statistics for the region may be misleadingly low, given that over 10,000 working-age residents are missing from the workforce. According to the NC Bureau of Labor Statistics, an area's workforce consists of all working age persons either employed or who are looking for work. If, however, a person is neither employed and has ceased to look for work, then he or she is no longer considered part of the workforce.

In Figure 4, one can see the Hickory Metro area's job losses from 2000-2005, broken down by category. With a loss of 24,976 persons, manufacturing has suffered by far the largest reduction in employment, almost seven times as much as all the losses in all other sectors combined.

As seen in Figure 5, the Hickory Metro lost 13.5% of its employment since 2000, a higher percentage than any other MSA in the state. In fact, seven regions gained employment, while no other area lost more than 5.5% of its jobs. It seems the unemployment rate for the Hickory MSA has decreased in large part because the workforce has been reduced, not because jobs have been added. The MSA workforce, at 160,670 persons in 2005, in fact is smaller than in 1990 (161,660) and is comprised of over 25,000 fewer workers than at its peak in 2000 (185,820).

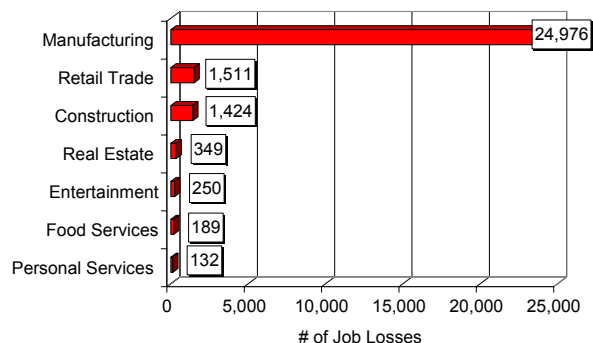
A closer look at job losses by sector over the past year alone (July 2004 – June 2005) shows that manufacturing employment losses have continued in the Hickory Metro (Figure 6). Furniture has suffered heavy losses (1,421 jobs lost). These losses are troubling since the furniture sector pays an average wage of \$29,507 / year – a bit higher than the average regional salary of \$29,484 / year. Despite these losses,

**Figure 3.**  
**Average Annual Hickory MSA Workforce (2000-2005)**



Source: NC Employment Security Commission, 2006.

**Figure 4.**  
**Hickory MSA Employment Losses by Sector, Second Quarter 2000 - 2005**



Source: NC Employment Security Commission, 2006.



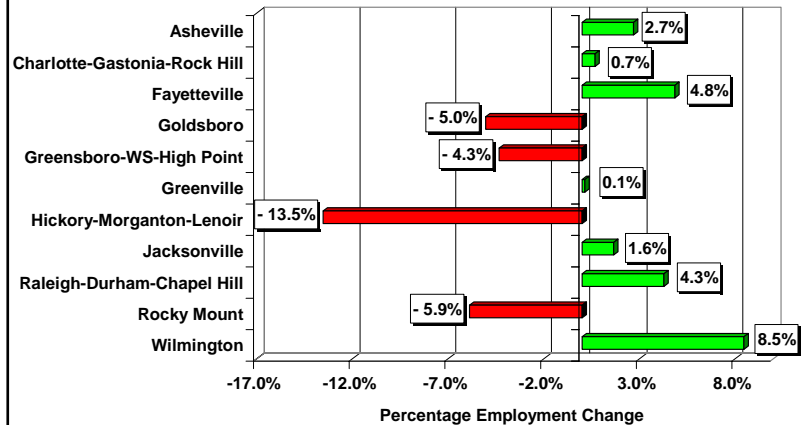
## Hickory Metro Employment Trends

furniture remains the region's top manufacturing employer, with 23,530 jobs. Catawba County has the most MSA furniture jobs (11,298), followed by Caldwell (6,058), Alexander (3,419) and Burke (2,755). Textile jobs ("Textile Product Mills," "Textile Mills," and "Apparel") accounted for 1,962 lost positions in the past year. The textile industry also pays slightly better (\$29,502 / year) than the region's average salary. Textiles now employ 9,709 people in the Metro, with Catawba again having the most jobs (4,634), then Burke (3,037), Caldwell (1,571) and Alexander (467).

A look at the Metro's growth industries during the past year (Figure 7) shows that the sector of "Social Assistance" led the region in job gains (793).

This sector includes a wide variety of services, from hospital social workers to child daycare employees. Of the region's 3,203 jobs in this sector, nearly half (1,428) are employed in Burke County. The average salary in "Social Assistance" is quite low, earning only \$15,780 / year (though keep in mind that this includes part-time employment). "Paper Manufacturing" also registered a healthy growth of 544 jobs in the region. As of June, 2005 there are 22 paper manufacturing employers the MSA with 1,919 employees. Most of these (including tape manufacturing) are in Catawba County, with 15 employers and 1,434 employees. This industry pays a relatively high average salary of \$41,136 / year.

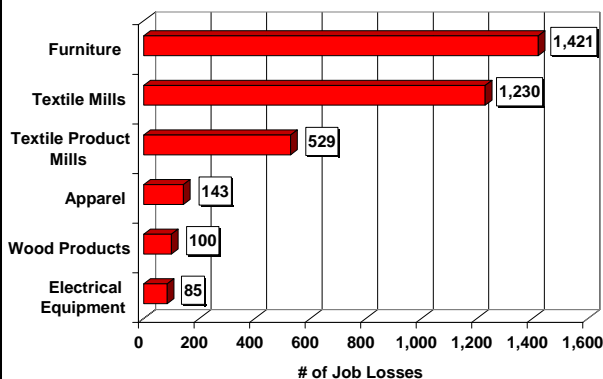
**Figure 5.**  
**Percentage NC MSA Employment Changes,**  
**Second Quarter 2000 - 2005**



Source: NC Employment Security Commission, 2006.

**Figure 6.**

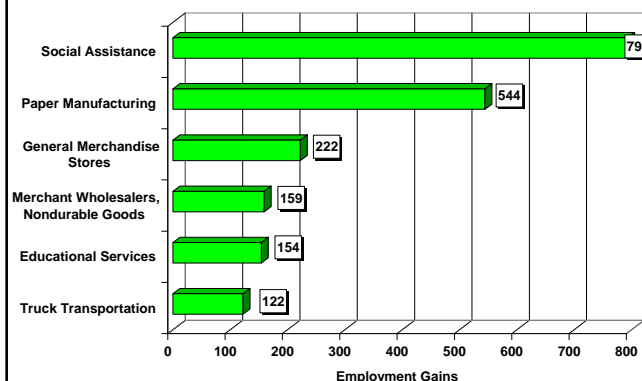
### Hickory MSA Manufacturing Losses, by Sector, 2nd Quarter 2004-2005



Source: NC Employment Security Commission, 2006.

**Figure 7.**

### Hickory MSA Employment Gains by Sector, Second Quarter 2004-2005



Source: NC Employment Security Commission, 2006.

Figure 8 (p.4) shows clearly that the type of industry in which a majority of the workforce is employed is undergoing a rapid shift. In 1990, "Manufacturing" constituted 51% of the Hickory MSA workforce, while "Services & Trade" accounted for 41%. By 2005, the region's employment characteristics had changed dramatically, with manufacturing accounting for only 34% of Metro workers, while "Services & Trade" have grown to 57%. The other three employment sectors have not changed significantly in terms of percentage since 1990, with "Public Administration", "Construction", and "Other" combining to account for less than 10% of the MSA's workforce.

In summary, two major employment trends stand out over the past five years: 1) the MSA's workforce is now 13.5% smaller than 2000; 2) the workforce now earns a lower average wage than it did 5 years prior (adjusted for inflation). The workforce continued to shrink from 2000-05, yet retail spending continued to recover in the region at a healthy rate.

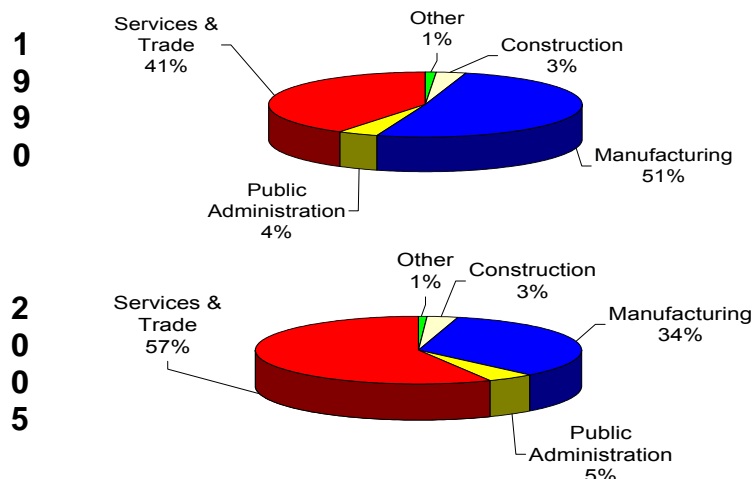


Since 2000, the average weekly work wage in the region has not kept pace with inflation (Table 3). The cumulative inflation rate from January 2000 – June 2005 was 15.1%, while wages in the Hickory Metro rose only 12.4% in the same period. For the first half of 2005, moreover, the average wage in the Hickory MSA actually fell by 1.1%. This lowering of the average wage is likely due to growth of the service sector, which tends to pay considerably less than the manufacturing sector. In June 2005, the average manufacturing job in the Hickory MSA paid \$32,394/year, while the average service position paid \$27,552.

### Hickory Metro Employment Trends

Figure 8.

#### Hickory MSA Employment by Industry, 1990 vs. 2005



Source: NC Employment Security Commission, 2006.

Table 3.  
Inflation Rate versus Hickory MSA Average Earnings, January 2000- June 2005

	2000	2001	2002	2003	2004	June 2005	2000-05
Inflation Rate	3.3%	2.8%	1.6%	2.2%	2.6%	1.7%	15.1%
% Change in Hickory MSA Earnings	3.6%	1.4%	2.7%	1.9%	3.5%	-1.1%	12.4%
Annual Average Hickory MSA Wages	\$ 26,884	\$27,248	\$27,976	\$28,496	\$29,484	\$29,172	+ \$2,288

Sources: US Bureau of Labor Statistics, 2006; NC Employment Security Commission, 2006

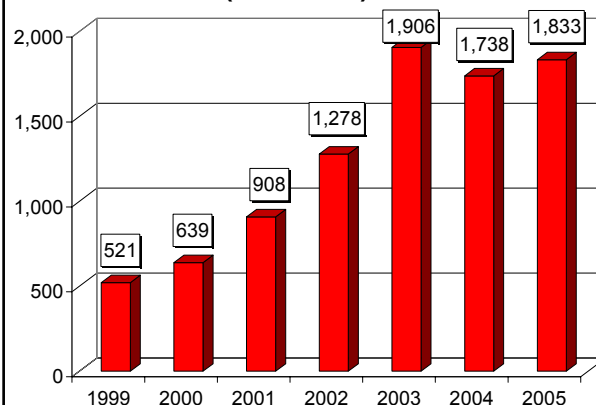
## Hickory MSA Foreclosure Data

Annual home foreclosures in the Hickory MSA have increased substantially since 1999 (Figure 9). Between 1999 and 2003 the number of foreclosures in the Hickory Metro nearly quadrupled from 521 to 1,906. Figure 9 shows that the region's number of foreclosures has remained at a consistently high level from 2003-05. Since 1999, the cumulative total value of foreclosed homes (stick-built and mobile) in the Hickory MSA equaled \$347.6 million, and affected an estimated 23,116 persons (assuming 2.62 persons per household). Since 2000, \$203.9 million in foreclosures have occurred above 1999 levels, affecting 13,561 persons in the Hickory Metro. Thus, the increased number of foreclosures has had a significant impact on the quality of life for thousands of Hickory MSA residents.

Foreclosures in the Hickory Metro increased at the highest rate of any MSA in the state from 1999-2005 (Table 4). Other MSAs with foreclosure rate increases of 200% or higher are in major urban areas (e.g. Charlotte, Raleigh). Hickory-sized metro areas have all recorded much smaller increases in foreclosure rates, including Greenville (103%), Wilmington (71%) and Jacksonville (24%).

Figure 9.

#### Annual Foreclosures in Hickory MSA (1999-2005)



Source: NC Justice Center, 2006; NC Administrative Office of the Courts.

Note: Figure 9 includes foreclosures and fore-foreclosures / deeds-in-lieu.

Figure 10 lists Hickory MSA county foreclosures at a per capita rate for 2005. Caldwell County leads the Hickory Metro in per capita foreclosures at 6.2 per 1,000 population. In fact, Caldwell ranks second of all NC MSA counties in the percentage growth of foreclosures between 1999-2005 with an increase of 365%. The NC MSA County with the highest foreclosure growth rate, Cabarrus (411%), shares with Caldwell an unprecedented loss of manufacturing jobs when its largest employer (Pillowtex) corporation went bankrupt. Besides these two, no other metro North Carolina county had a foreclosure increase greater than 250%, though Catawba (237%) and Burke (229%) along with Caldwell rounded out three of the top five NC MSA Counties in terms of foreclosure rate increase.

Data seen in Figure 11 indicate that Catawba County had the highest average value per individual foreclosure (\$95,932), and Burke County had the lowest (\$81,002) in the MSA. The high value of Catawba foreclosures is to be expected given the County's higher average home value compared to other Hickory MSA counties. Another reason behind the difference in foreclosure values comes to light when Figure 12 is examined. In this chart, the statistic "Mobile Homes as a Percentage of Foreclosures" is related to the average property values per foreclosure by county (Figure 11).

Since 24.4% of Burke County's foreclosures in 2005 were mobile homes, its average per-foreclosure value is less than Catawba's, where the mobile home percentage of foreclosures is only 8.6%. Figure 12 is thus roughly inversely proportional to Figure 11, leading to the conclusion that percentage of mobile homes as foreclosures is a strong factor in determining average value of foreclosures in a county.

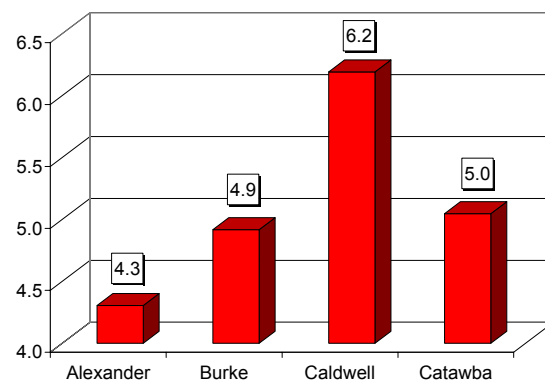
**Table 4.**  
**Percent Increase in Foreclosures**  
**1999-2005, by North Carolina MSA**

MSA	1999	2005	% Incr.
<b>Hickory</b>	<b>521</b>	<b>1,906</b>	<b>252%</b>
Charlotte	2,602	8,766	237%
Raleigh-Cary	1,585	4,836	205%
Winston-Salem	752	2,261	201%
Burlington	236	669	183%
Greensboro - HP	1,451	3,870	167%
Rocky Mount	311	780	151%
Durham	808	1,917	137%
Asheville	577	1,181	105%
Greenville	306	622	103%
Goldsboro	285	521	83%
Wilmington	699	1,197	71%
Jacksonville	358	445	24%
Fayetteville	1,821	1,873	3%

Source: NC Justice Center, 2006; NC Administrative Office of the Courts.

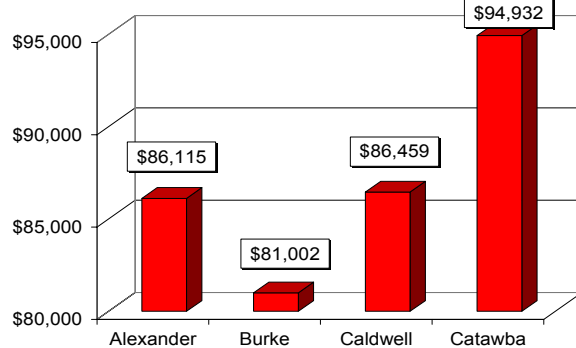
Note: Table 4 includes foreclosures and fore-foreclosures / deeds-in-lieu.

**Figure 10.**  
**MSA Foreclosures per 1,000 Persons,**  
**by County (2005)**



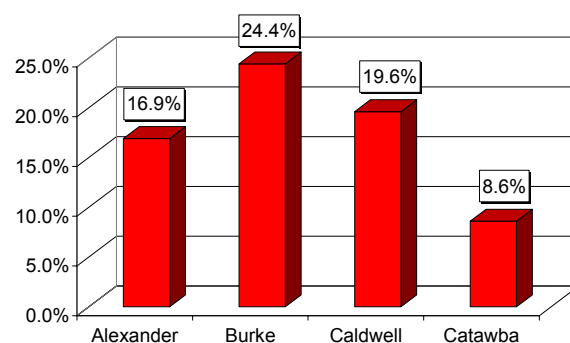
Sources: Respective Counties' Registrars of Deeds, 2006; NC OMB, 2006.

**Figure 11.**  
**Average Value of Individual Foreclosures,**  
**by County (2005)**



Sources: Respective Counties' Registrars of Deeds, 2006; NC OMB, 2006.

**Figure 12.**  
**Mobile Homes as a Percentage of**  
**Foreclosures, by County (2005)**



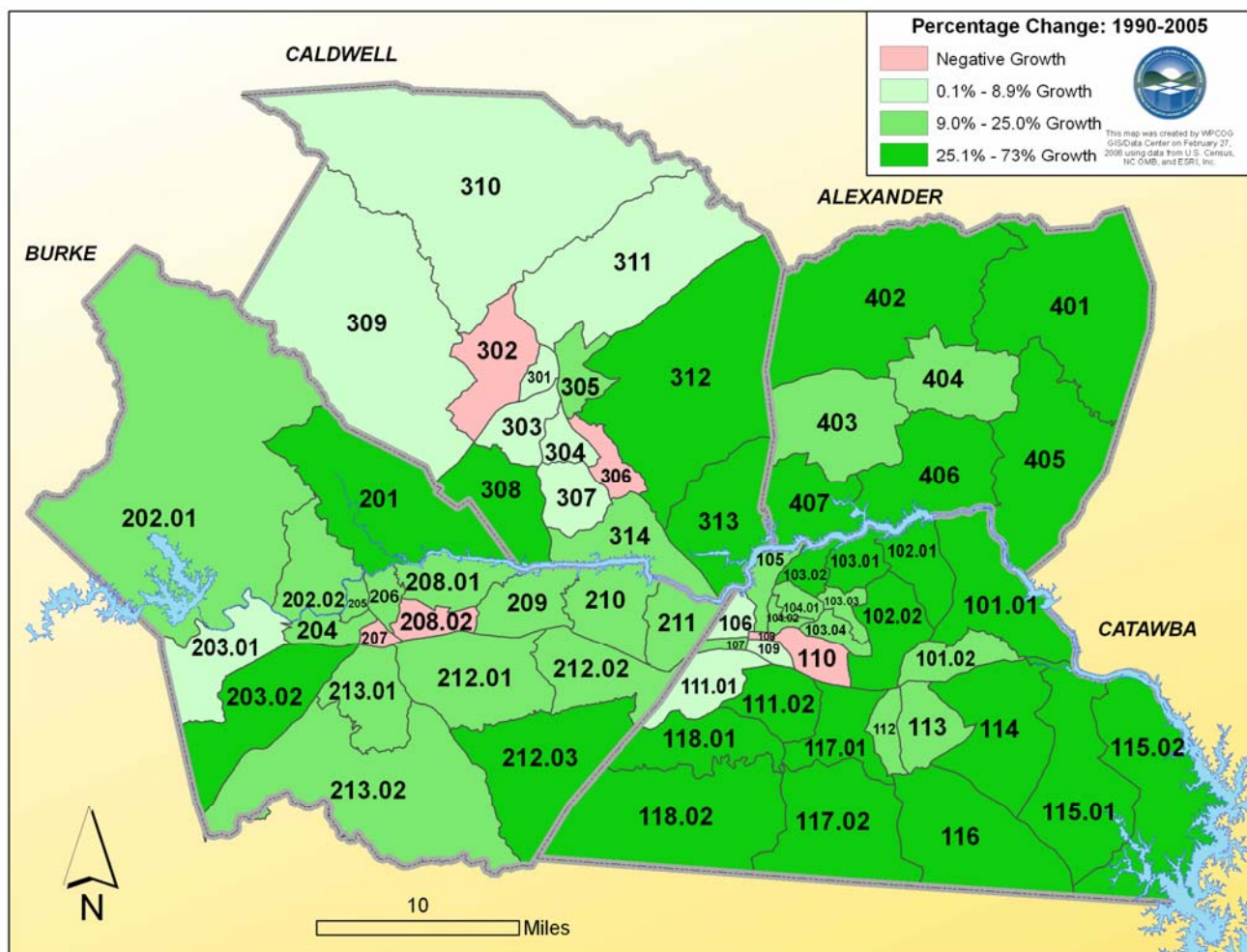
Sources: Respective Counties' Registrars of Deeds, 2006; NC OMB, 2006.



## Hickory MSA Census Tract Population Trends (1990 – 2020)

Census tracts are large sub-county divisions created by the Census Bureau. MSA county-level population projections offer general patterns of growth predicted to occur in future years. These estimates, however, fail to show the different rates of population increase for each of the individual Metro counties. In order to provide individual county estimates, the WPCOG Data Center developed a model in 2001 to estimate Census Tract populations throughout the Hickory-Morganton-Lenoir MSA. The model predicts population growth patterns based on building permit activity in each MSA Census Tract as well as new roads and water/sewer development. Tracts receiving more new residential development are estimated to grow at faster rates than areas gaining fewer residential units. Census Tract populations also vary by the predicted yearly county growth rate provided by the NC State Data Center, part of the NC Office of State Management and Budget. Current data from the area's building inspection agencies and NC Data Center estimates have allowed the WPCOG Data Center to produce a new set of Census Tract projections from 2005 through 2020. The new Census Tract population projections, however, must be viewed with the following caveats. Only building permits from 2000 to 2005 were included in the model. Previous building permit activity may not accurately estimate future growth trends if available lots for new construction become scarce or if regulations restricting or encouraging residential construction are imposed.

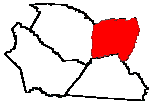
**Figure 13.**  
**MSA Census Tract Population Growth, 1990 - 2005**



Sources: US Census Bureau, 2005, and NC Data Center, 2005.

## 1990-2005 Census Tract Population Trends

The population growth of most Census Tracts in the Hickory Metro was quite rapid from 1990-2005. Of the MSA's 68 Census Tracts, 25 exhibited a growth of 25.1% or greater during this time, with the fastest increase in Tract 115.02 (72.6%) located along Lake Norman in southeastern Catawba County.

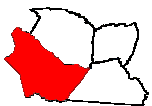


During the past 15 years, five of Alexander County's seven Census Tracts (Figure 13) grew in population by 25.1% or more. The slowest-growing Alexander tract in terms of percentage was 404 (Taylorsville) which experienced a population growth of 10.0% (Table 5). Percentage population growth in the northern portions of the County was solid (around 26%), but the area is still relatively sparsely populated compared with the southern half of the county, where the most robust growth occurred. In the south, Tract 406 (Wittenburg) grew the fastest, 64.4%, followed by Tract 405 (Stony Point) at 40.0%, and Tract 407 (Bethlehem) at 28.4%.

Two factors appear to be driving strong growth in the southern part of the County. The first is widespread development along Lake Hickory and the Wittenburg area. The second is Alexander's proximity to Hickory, Newton, Conover and Statesville, making the southern part of the County an attractive place to live and commute. Relatively cheap land, low property taxes and the extension of County water lines (bringing water service southeast to the Iredell border) have fueled not only lakeside development, but also more affordable non-lakeside neighborhoods.

Table 5. Alexander Co. Census Tract Population 1990-2005				
Tract	1990	2005	Chg. 90-05	% Chg. 90-05
401	2,722	3,420	698	25.6%
402	3,186	4,021	835	26.2%
403	2,739	3,190	451	16.5%
404	5,753	6,327	574	10.0%
405	5,037	7,052	2,015	40.0%
406	3,120	5,129	2,009	64.4%
407	4,987	6,405	1,418	28.4%
<b>Total</b>	<b>27,544</b>	<b>35,544</b>	<b>8,000</b>	<b>29.0%</b>

Source: US Census Bureau, 2006.



Burke County has experienced more moderate growth than Alexander or Catawba since 1990 (Table 8), with only three of its eighteen tracts growing by 25.1% or more, and an overall growth rate of 17.6% (13,359 persons). The fastest growth (36.1%) occurred in Tract 212.03 (the George Hildebrand area), north of NC 18 between Morganton and Shelby. This increase is most likely related to job growth in Burke and Catawba Counties during the 1990s, but this remains a relatively rural area of the County.

Strong growth also occurred in Tract 201 (Chesterfield) along NC 18/US 64 between Morganton and Lenoir, and in Tract 203.02 (Silver Creek) which has a considerable amount of new housing developments for commuters to both Morganton and Marion via I-40, and has experienced significant Hmong immigration into the community. Moderate population growth (9% - 25%) occurred in the remainder of the county, including Lake James, Salem, and the Valdese – Hildebran corridor.

An exception was Tract 208.02 (South Drexel) which shrank slightly, due in part to the closing of the Drexel Heritage furniture plant in the City of Drexel. The only rural tract which grew at less than 9% was Tract 203.01 (near DYSartsville).

Table 8. Burke Co. Census Tract Population 1990-2005				
Tract	1990	2005	Chg. 90-05	% Chg. 90-05
201	3,298	4,429	1,131	34.3%
202.01	4,369	5,437	1,068	24.4%
202.02	3,708	4,245	537	14.5%
203.01	4,390	4,759	369	8.4%
203.02	5,007	6,691	1,684	33.6%
204	3,753	4,204	451	12.0%
205	2,895	3,220	325	11.2%
206	4,953	5,955	1,002	20.2%
207	1,245	978	-267	-21.4%
208.01	4,710	5,601	891	18.9%
208.02	3,459	3,444	-15	-0.4%
209	6,391	7,195	804	12.6%
210	4,878	5,728	850	17.4%
211	4,844	5,741	897	18.5%
212.01	3,395	3,809	414	12.2%
212.02	3,791	4,234	443	11.7%
212.03	2,948	4,011	1,063	36.1%
213.01	4,828	5,944	1,116	23.1%
213.02	2,878	3,474	596	20.7%
<b>Total</b>	<b>75,740</b>	<b>89,099</b>	<b>13,359</b>	<b>17.6%</b>

Source: US Census Bureau, 2006



**Caldwell** County experienced generally slow to moderate growth from 1990-2005, with a total population gain of 8,108 or 11.5% (see Table 6). Growth was strongest in Tract 313 (East Granite Falls/Dudley Shoals) which grew by 48.5%, largely due to new developments around Lake Hickory (Gunpowder Creek) fueled by job growth in Hickory during the 1990s.

Strong growth (25.1%) also occurred in Tract 308 (Gamewell/West Baton) between NC 18/US 64 and Connelly Springs Road due to development along both of these routes between Caldwell and Burke counties, including a new shopping center in Baton. Tract 312 (Oak Hill/Dudley Shoals) along US 64 between Lenoir and Taylorsville (growing 26.1%) experienced a large percentage increase as well. Growth in the City of Lenoir was minimal, especially for Tract 302 (North Lenoir) which underwent a population loss of -0.3%.



**Catawba** County has experienced a very strong population growth of 31,005 persons (26.2%) since 1990 (Table 7). Of 28 tracts in the County, 14 grew by 25.1% or more. The fastest-growing tract was 115.02 (Lake Norman), which grew by 72.6%. A brief look at Figure 13 reveals that the over 25% growth occurred primarily in the County away from the centers of its major cities: Hickory, Newton and Conover. As in Alexander, lakeside development has certainly played a significant role. With the exception of Tract 105 (West Viewmont), all county tracts that border Lake Hickory, Lookout Shoals Lake and Lake Norman grew by a rate of 25.1% or more.

The negative growth in Tract 108 can be disregarded as it is almost entirely a downtown business district, while the negative growth in Tract 110 can be largely attributed to expansion of the commercial district along US 70 in southeastern Hickory. Tract 109 (South-Central Hickory), a high-poverty urban area, experienced little population growth, as did Tract 111.01 (Baker's Mountain), which faced development challenges from limited roads and water, despite a new Interstate exchange (Exit 121 in Long View) and the construction of a large soccer park (Henry Fork River Complex).

Suburban housing and commercial developments in the surrounding the major cities have driven population growth in formerly rural areas of the county. Nowhere is this more true than in Tract 111.02 (Mountain View), which grew rapidly as neighborhoods sprang up with easy access to Hickory and the Charlotte Metro via the completed US 321, as well as access to new grocery stores, banks, and libraries built there. In addition, Tract 116 (east of Maiden to NC 16) has grown substantially since 1990.

**Table 6.**  
**Caldwell Co. Census Tract Population**  
**1990-2005**

Tract	1990	2005	Chg. 90-05	% Chg. 90-05
301	5,858	5,956	98	1.7%
302	5,335	5,317	-18	-0.3%
303	4,107	4,209	102	2.5%
304	4,551	4,595	44	1.0%
305	3,925	4,506	581	14.8%
306	3,576	3,521	-55	-1.5%
307	6,502	6,725	223	3.4%
308	5,530	6,917	1,387	25.1%
309	4,767	5,082	315	6.6%
310	3,017	3,287	270	8.9%
311	4,493	4,727	234	5.2%
312	7,031	8,865	1,834	26.1%
313	4,391	6,521	2,130	48.5%
314	7,626	8,589	963	12.6%
<b>Total</b>	<b>70,709</b>	<b>78,817</b>	<b>8,108</b>	<b>11.5%</b>

Source, US Census Bureau, 2006

**Table 7.**  
**Catawba Co. Census Tract Population**  
**1990-2005**

Tract	1990	2005	Chg. 90-05	% Chg. 90-05
101.01	4,021	5,791	1,770	44.0%
101.02	3,013	3,579	566	18.8%
102.01	2,867	4,706	1,839	64.1%
102.02	5,637	7,405	1,768	31.4%
103.01	3,251	4,627	1,376	42.3%
103.02	3,656	5,327	1,671	45.7%
103.03	3,785	4,283	498	13.2%
103.04	3,389	4,097	708	20.9%
104.01	5,596	6,460	864	15.4%
104.02	4,483	4,965	482	10.8%
105	5,603	6,605	1,002	17.9%
106	6,118	6,352	234	3.8%
107	2,420	2,734	314	13.0%
108	460	400	-60	-13.0%
109	4,336	4,356	20	0.5%
110	3,055	2,968	-87	-2.8%
111.01	3,074	3,312	238	7.7%
111.02	4,239	5,947	1,708	40.3%
112	5,425	5,960	535	9.9%
113	6,001	7,228	1,227	20.4%
114	6,035	7,646	1,611	26.7%
115.01	3,428	4,794	1,366	39.8%
115.02	4,673	8,066	3,393	72.6%
116	6,951	9,817	2,866	41.2%
117.01	3,102	3,887	785	25.3%
117.02	5,406	6,802	1,396	25.8%
118.01	3,982	5,496	1,514	38.0%
118.02	4,406	5,807	1,401	31.8%
<b>Total</b>	<b>118,412</b>	<b>149,417</b>	<b>31,005</b>	<b>26.2%</b>

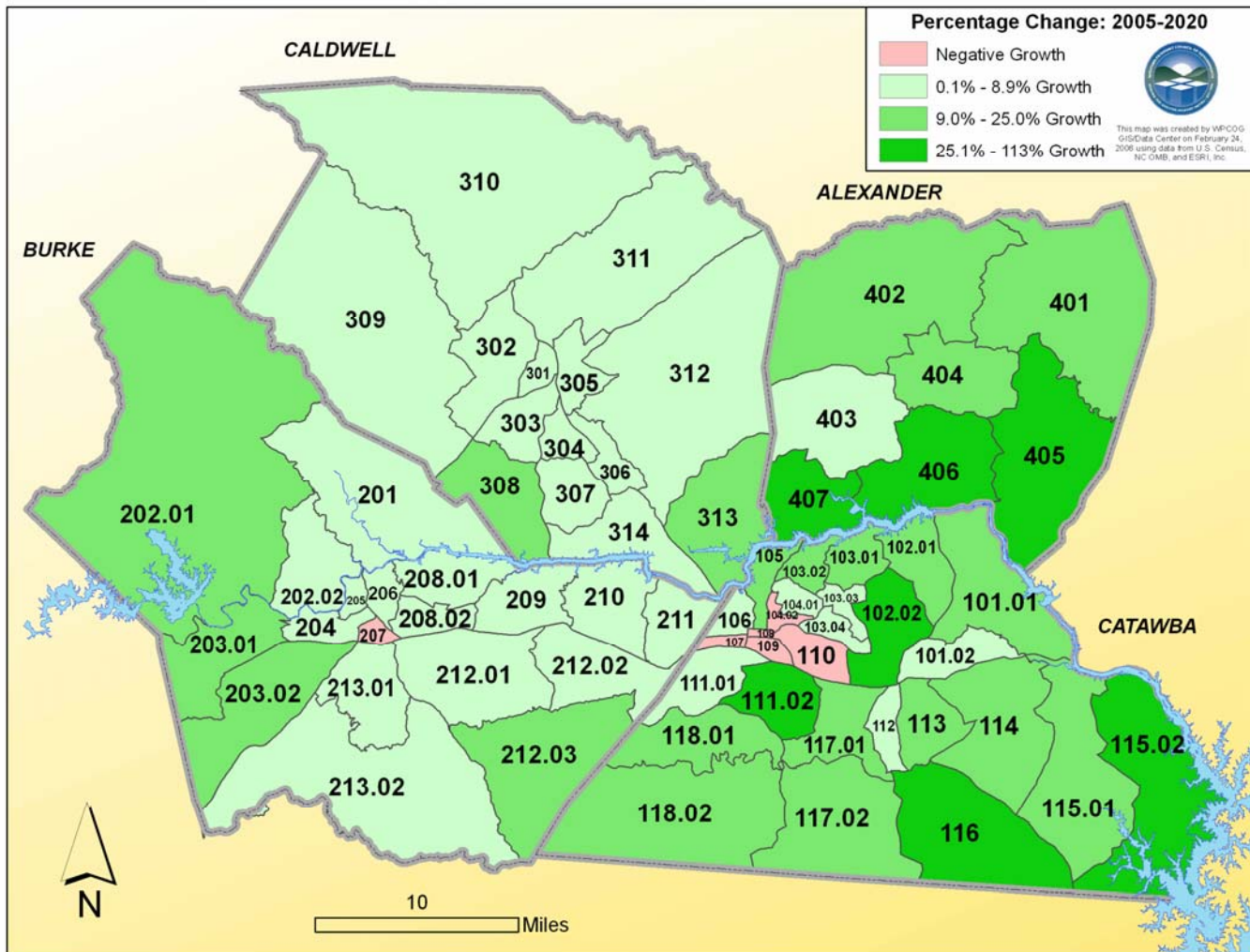
Source, US Census Bureau, 2006



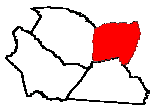
## 2005-2020 Census Tract Population Projections

Census Tracts in the Hickory MSA were also examined for their projected percentage growth from 2005-2020 (Figure 13). Throughout the metro area, growth is generally expected to be slower than between 1990-2005. Of the 48 total Census Tracts in the MSA, only seven are expected to grow in population by 25.1% or higher between 2005-2020 (compared with 24 tracts growing that rapidly from 1990-2005). All of these fast-growing tracts are in Alexander and Catawba County. Of the seven, four are adjacent to Lake Hickory or Lake Norman, and it is lakeside development which is the major driving force in these tracts.

**Figure 14.**  
**MSA Census Tract Population Growth Projections, 2005 - 2020**



Sources: US Census Bureau, 2005, and NC Data Center, 2005.



Overall, **Alexander County** is expected to grow by 7,245 persons or 20.4% (Table 9) - a significant slowdown from the '90-'05 pace of 29.0%, but still strong. Three of the seven MSA tracts that are projected to grow over 25% comprise southern Alexander County bordering Lake Hickory and Lookout Shoals Lake, including the Bethlehem area in the southwest and the Stony Point area in the southeast.

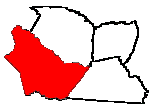
Bolstering their lakeside induced-growth, Bethlehem is also predicted to retain its advantage as a growing suburban area for persons who work in Hickory, while the Stony Point area

**Table 9.**  
**Alexander Co. Census Tract Projections**  
**2005-2020**

Tract	2005	2020	Chg. 05-20	% Chg. 05-20
401	3,420	3,798	378	11.1%
402	4,021	4,492	471	11.7%
403	3,190	3,398	208	6.5%
404	6,327	7,250	923	14.6%
405	7,052	8,928	1,876	26.6%
406	5,129	6,525	1,396	27.2%
407	6,405	8,398	1,993	31.1%
<b>Total</b>	<b>35,544</b>	<b>42,789</b>	<b>7,245</b>	<b>20.4%</b>

Source, US Census Bureau, 2006; WPCOG Data Center, 2006.

will grow as it serves the same purpose for persons working in Statesville. In addition, the extension of Alexander County water lines throughout the Stony Point area, and its easy access to Conover via NC Hwy 16 has also enticed developers to create extensive non-lakeside middle-class subdivisions within the Stony Point and Wittenburg communities.



**Burke County's** growth rate is expected to slow in the years 2005-20 to 6.9% overall, which is a considerable drop from its 17.6% expansion rate from 1990-2005 (Table 11).

One tract which is quite difficult to predict is that on the Burke County shores of Lake James (202.01). Though home growth in the area is apparent, there are currently no major commercial centers nearby, forcing residents to drive substantial distances on narrow, curvy roads to shopping, dining and work in Morganton or Marion. This distance could prove to be a barrier for families with children to move to the area, and most of the inhabitants appear to be older and wealthier (and thus fewer per household). New commercial development near the intersection of NC 126 and North Powerhouse Road (also known as 3-Way Supply) could change this situation drastically. Already a new restaurant and real estate office have been built in the community, and there are development plans for a shopping center including possibly a full grocery store to be constructed there. Also, the nearby municipality of Nebo is beginning to expand commercially, with new discount stores and restaurants. Thus, if the area becomes more self-sufficient in shopping and entertainment, growth may be higher than the projected 19.0% through 2020.

Another tract (207), located just south of the center of Morganton, is predicted to decline slightly (by 0.6%), again due to the pre-existence of industry and neighborhoods. The tract containing central Morganton (205) might have been predicted to decline, except that extensive downtown revitalization has moved a considerable number of new entertainment, shopping and restaurant venues there, along with condominiums within walking distance of the business district.

Burke County retains an advantage in its significant number of state jobs (it has the sixth-largest state workforce of any NC county, and largest without a state university), as well as the attraction of Lake James. The Hmong community in Burke County continues to grow, despite the end of immigration from refugee camps in Thailand which ceased in March, 2004. Originally, most immigrated from Thailand to urban areas in California, Minnesota and Wisconsin. Since 2000, many Hmong families have relocated to the more rural established Hmong communities of western Burke County. Due in large part to Hmong immigration and Lake James development, the center of Burke's population moved slightly westward between 1990-2000, while the centers of the other three Metro counties' populations moved towards Hickory during that period. Given the projected data, there is no reason to believe that this westward population trend in Burke County will change through 2020.



Population growth in **Caldwell County** is expected to be quite modest over the next fifteen years, at a rate of 4.4% overall (Table 12), down from 11.5% from 1990-

2005. This trend reflects the expectation of continuing declines in textile and furniture manufacturing. Without significant industry, workers will not likely be retained in

**Table 11.**  
**Burke Co. Census Tract Projections**  
**2005-2020**

Tract	2005	2020	Chg. 05-20	% Chg. 05-20
201	4,429	4,798	369	8.3%
202.01	5,437	6,469	1,032	19.0%
202.02	4,245	4,512	267	6.3%
203.01	4,759	5,254	495	10.4%
203.02	6,691	7,476	785	11.7%
204	4,204	4,309	105	2.5%
205	3,220	3,224	4	0.1%
206	5,955	6,185	230	3.9%
207	978	974	-4	-0.4%
208.01	5,601	5,818	217	3.9%
208.02	3,444	3,519	75	2.2%
209	7,195	7,700	505	7.0%
210	5,728	6,086	358	6.3%
211	5,741	6,054	313	5.5%
212.01	3,809	4,083	274	7.2%
212.02	4,234	4,503	269	6.4%
212.03	4,011	4,439	428	10.7%
213.01	5,944	6,223	279	4.7%
213.02	3,474	3,664	190	5.5%
<b>Total</b>	<b>89,099</b>	<b>95,290</b>	<b>6,191</b>	<b>6.9%</b>

Sources, US Census Bureau, 2006; WPCOG Data Center, 2006.

**Table 12.**  
**Caldwell Co. Census Tract Projections**  
**2005-2020**

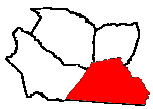
Tract	2005	2020	Chg. 05-20	% Chg. 05-20
301	5,956	5,968	12	0.2%
302	5,317	5,423	106	2.0%
303	4,209	4,230	21	0.5%
304	4,595	4,611	16	0.3%
305	4,506	4,648	142	3.2%
306	3,521	3,634	113	3.2%
307	6,725	6,898	173	2.6%
308	6,917	7,550	633	9.2%
309	5,082	5,168	86	1.7%
310	3,287	3,386	99	3.0%
311	4,727	4,843	116	2.5%
312	8,865	9,432	567	6.4%
313	6,521	7,501	980	15.0%
314	8,589	9,016	427	5.0%
<b>Total</b>	<b>78,817</b>	<b>82,308</b>	<b>3,491</b>	<b>4.4%</b>

Sources, US Census Bureau, 2006; WPCOG Data Center, 2006.

the County, due to no net in-migration. Were it not for growth in the 65+ age group, population in the County would be predicted to experience an overall decline, led by a loss of 777 in the 18-44 age group (see *EIN*, Fall 2005). Nonetheless, all tracts in the County are expected to grow slightly or moderately in population, including the areas near Lenoir which experienced a decrease from 1990-2005.

Two tracts in Caldwell County are potential bright spots in population growth. First is the tract containing southeastern Granite Falls (Tract 313), which could see continued lakeshore development on Gunpowder Creek, with easy access to US 321. Included in this tract are also a growing number of \$100-\$130K developments in the Dudley Shoals area with access to nearby NC Highway 127 in Alexander County in order to reach shopping, restaurants and employment centers in northern Hickory.

The other relatively fast-growing tract in the County is expected to be along NC 18/US 64 from Burke County and includes Gamewell and western Baton (Tract 308). Aside from development in Baton (see above), this tract has the advantage of large amounts of open land and easy access to jobs and shopping in either Lenoir or Morganton. The long-range widening of NC 18/US 64 in the remainder of Caldwell (as well as Burke) should have a positive effect on this tract's growth as well.



**Catawba County** is expected to grow more slowly from 2005-20 (20.6%) than it did from 1990-2005 (26.2%) (Table 10). The new rate, however, will be the fastest projected County population expansion in the Hickory Metro for the next fifteen years. The individual County (and MSA) tract that is projected to experience the fastest growth is Tract 115.02, which extensively borders Lake Norman across from Iredell County and Mooresville. This was the fastest growing tract from 1990-2005 (72.6%), and it is projected to grow during the next fifteen years at a rate of 112.5% (Table 10). A rise in any tract's growth rate from 1990-2005 to 2005-20 is unusual in the Hickory MSA projections. This growth is due to the desire to live on Lake Norman, plus additional housing spurred by the economic and job centers found in southern Iredell and Mecklenburg counties. Regardless, the high value of these new lakefront home sites should allow their property taxes alone to gain significant source for Catawba County.

The three remaining Hickory Metro tracts projected to grow at a rate of 25.1% or higher are all in Catawba County, but do not border a lake. One of these (Tract 111.02) includes the Mountain View community, which, as a residential area for persons working in the City of Hickory, owes its rapid growth to the expansion of US 321 and new shopping, municipal and entertainment venues in Mountain View. Similarly, as commercial development in Hickory continues along both US 70 (such as restaurants and retail stores) and Tate Boulevard (such as manufacturing and medical facilities), housing is growing rapidly just east of these budding industries, encouraging new neighborhood construction along the area north of I-40 between Hickory and Conover (Tract 102.02).

The final MSA tract which is projected to grow at 25.1% or higher is Tract 116 (east of Maiden to NC 16). The reasons for growth appear to lie at least partially in the number of developments springing up to house workers in the rapidly expanding Lincoln Industrial Park, which is just south of the Catawba County line on US 321. By building near NC 16, homeowners can benefit from County-only taxes (which are lower than Lincoln County property taxes), as well as proximity to Lake Norman, Mooresville, and Charlotte.

Four tracts in Catawba County are expected to decline through 2020, approximately constituting the downtown and western portions of the City of Hickory. Most of these Census Tracts have a large amount of existing commercial and residential development, leaving little room for new residential construction.

**Table 10.  
Catawba Co. Census Tract Projections  
2005-2020**

Tract	2005	2020	Chg. 05-20	% Chg. 05-20
101.01	5,791	7,102	1,311	22.6%
101.02	3,579	3,890	311	8.7%
102.01	4,706	5,679	973	20.7%
102.02	7,405	10,240	2,835	38.3%
103.01	4,627	5,480	853	18.4%
103.02	5,327	6,042	715	13.4%
103.03	4,283	4,458	175	4.1%
103.04	4,097	4,278	181	4.4%
104.01	6,460	7,022	562	8.7%
104.02	4,965	4,760	-205	-4.1%
105	6,605	7,197	592	9.0%
106	6,352	6,657	305	4.8%
107	2,734	2,645	-89	-3.3%
108	400	380	-20	-5.0%
109	4,356	4,225	-131	-3.0%
110	2,968	2,916	-52	-1.8%
111.01	3,312	3,484	172	5.2%
111.02	5,947	7,468	1,521	25.6%
112	5,960	6,222	262	4.4%
113	7,228	8,363	1,135	15.7%
114	7,646	9,135	1,489	19.5%
115.01	4,794	5,823	1,029	21.5%
115.02	8,066	17,142	9,076	112.5%
116	9,817	13,452	3,635	37.0%
117.01	3,887	4,263	376	9.7%
117.02	6,802	7,943	1,141	16.8%
118.01	5,496	6,849	1,353	24.6%
118.02	5,807	7,111	1,304	22.5%
<b>Total</b>	<b>149,417</b>	<b>180,226</b>	<b>30,809</b>	<b>20.6%</b>

Source, US Census Bureau, 2006; WPCOG Data Center, 2006.



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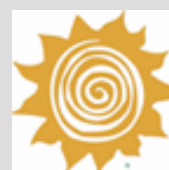
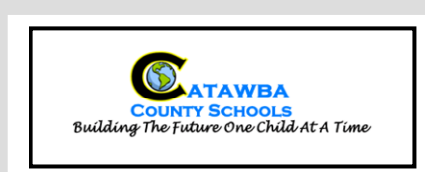
#### Future EIN Topics:

- ✱ Hickory-Morganton-Lenoir MSA Tourism Indicators
- ✱ Economic Impact of Hispanic Residents in the Hickory Metro
- ✱ Hickory-Morganton-Lenoir MSA American Community Survey Results

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